

## **EXECUTIVE ORDER 2002 - 22**

### **Index**

<u>Section</u>	<u>Page</u>	
A. General Fund Reductions	2	\$227,188,891
B. Provision for 2.5% Reduction	2	
C. Detail of General Fund Reductions and Related Actions	2	
Agriculture	3	\$976,900
Attorney General	3	\$844,200
Capital Outlay	3	\$427,700
Career Development	3	\$694,600
Civil Rights	4	\$335,800
Civil Service	4	\$250,400
Community Colleges	4	\$7,993,308
Community Health	6	\$83,031,200
Consumer and Industry Services	6	\$899,400
Corrections	6	\$12,602,500
Education	9	\$419,300
Environmental Quality	10	\$2,210,800
Executive Office	10	\$125,500
Family Independence Agency	10	\$8,031,000
Higher Education	10	\$45,306,783
History, Arts and Libraries	12	\$1,522,400
Management and Budget	13	\$1,100,900
Michigan Strategic Fund	13	\$3,000,000
Military and Veterans Affairs	13	\$400,800
Natural Resources	13	\$1,095,600
State	14	\$424,200
State Police	14	\$4,305,700
Treasury	14	\$51,189,900
D. Work Project Reductions	15	\$3,397,500
E. Special Purpose Revenue Reductions	15	\$106,810,500
F. Detail of Special Purpose Revenue Reductions and Related Actions	15	
Higher Education	15	\$50,000,000
Transportation	15	\$3,710,500
Treasury	16	\$53,100,000
Executive Order Total		\$337,396,891

STATE OF MICHIGAN  
OFFICE OF THE GOVERNOR  
LANSING

JOHN ENGLER  
GOVERNOR

**EXECUTIVE ORDER**  
**No. 2002 - 22**

**IMPLEMENTATION OF EXPENDITURE REDUCTIONS UNDER  
PROVISIONS OF ARTICLE V, SECTION 20,  
OF THE MICHIGAN CONSTITUTION OF 1963**

WHEREAS, Article V, Section 20, of the Michigan Constitution of 1963 states that no appropriation is a mandate to spend, and that the Governor, with the approval of the appropriating committees of the House of Representatives and Senate, shall reduce expenditures authorized by appropriations whenever it appears that actual revenues for a fiscal period will fall below the revenue estimates on which appropriations for that period were based, and that reductions shall be made in accordance with procedures prescribed by law; and

WHEREAS, it appears that actual revenues for the fiscal period October 1, 2002 to September 30, 2003, will fall below the revenue estimates on which appropriations for that period were based, said estimates having been determined by the Legislature in accordance with Article IV, Section 31, of the Constitution of the State of Michigan; and

WHEREAS, under provisions of Section 391, Act 431 of the Public Acts of 1984, on the basis of written information from the State Budget Director and the State Treasurer, a finding has been made that actual revenue will fall below such revenue estimates; and

WHEREAS, there is an unanticipated loss of funding which the departments and agencies of state government do not expect to obtain or make up during the current fiscal year; and

WHEREAS, expenditure reductions totaling \$230,586,391.00 general fund-general purpose and \$106,810,500.00 special purpose funds are necessary.

NOW, THEREFORE, I, John Engler, Governor of the State of Michigan, pursuant to the authority vested in me by the Michigan Constitution of 1963 and the laws of the State of Michigan, and with the approval of a majority of members of each appropriations committee, do hereby order the following reductions:



- A. Portions of general fund-general purpose appropriations amounting to \$227,188,891.00 contained in the following public acts are hereby reduced. Where the expenditure reductions of general fund-general purpose appropriations in this order reduce the restricted portions of gross appropriations and sources of financing that will be earned, the amounts to be reduced shall be provided separately to the State Budget Director for approval and entry into the accounts.

<u>Public Act</u>	<u>Department</u>	<u>Reduction Amount</u>
2002 PA 516	Agriculture	976,900
2002 PA 528	Attorney General	844,200
2002 PA 518	Capital Outlay	427,700
2002 PA 517	Career Development	694,600
2002 PA 528	Civil Rights	335,800
2002 PA 528	Civil Service	250,400
2002 PA 161	Community Colleges	7,993,308
2002 PA 519	Community Health	83,031,200
2002 PA 527	Consumer and Industry Services	899,400
2002 PA 524	Corrections	12,602,500
2002 PA 522	Education	419,300
2002 PA 520	Environmental Quality	2,210,800
2002 PA 528	Executive Office	125,500
2002 PA 529	Family Independence Agency	8,031,000
2002 PA 144	Higher Education	45,306,783
2002 PA 523	History, Arts and Libraries	1,522,400
2002 PA 528	Management and Budget	1,100,900
2002 PA 517	Michigan Strategic Fund	3,000,000
2002 PA 514	Military and Veterans Affairs	400,800
2002 PA 525	Natural Resources	1,095,600
2002 PA 528	State	424,200
2002 PA 526	State Police	4,305,700
2002 PA 528	Treasury	<u>51,189,900</u>
		227,188,891

- B. Unless otherwise provided in Section C, reductions in appropriations for departments and agencies contained in the public acts enumerated in Section A are in amounts equal to 2.5 percent of the total general fund-general purpose appropriation for the respective departments and agencies.
- C. The reduction totals for the department and agencies in Section A include the following appropriation items or are predicated upon the following actions:

**1. Department of Agriculture**

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$976,900.00, shall be conducted pursuant to section 224, 2002 PA 516.

**2. Department of Attorney General**

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$844,200.00, shall be conducted pursuant to section 216, 2002 PA 528.

**3. Capital Outlay**

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
74775	Major special maintenance and remodeling for department of community health	52,200
74776	Major special maintenance and remodeling for department of corrections	216,900
74777	Major special maintenance and remodeling for family independence agency	57,400
74778	Major special maintenance and remodeling for department of management and budget	74,400
74779	Major special maintenance and remodeling for department of state police	<u>26,800</u>
		427,700

**4. Department of Career Development**

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$694,600.00, shall be conducted pursuant to section 261, 2002 PA 517.

**5. Department of Civil Rights**

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$335,800.00, shall be conducted pursuant to section 216, 2002 PA 528.

**6. Department of Civil Service**

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$250,400.00, shall be conducted pursuant to section 216, 2002 PA 528.

**7. Community Colleges**

a.	<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
	07600	Alpena Community College	133,022
	07605	Bay de Noc Community College	128,464
	07610	Delta College	370,968
	07620	Glen Oaks Community College	62,242
	07625	Gogebic Community College	109,311
	07630	Grand Rapids Community College	466,617
	07635	Henry Ford Community College	568,666
	07645	Jackson Community College	314,789
	07650	Kalamazoo Valley Community College	321,188
	07655	Kellogg Community College	252,347
	07660	Kirtland Community College	76,589
	07665	Lake Michigan College	135,814
	07670	Lansing Community College	806,929
	07675	Macomb Community College	860,968
	07680	Mid Michigan Community College	114,853
	07685	Monroe County Community College	111,743
	07690	Montcalm Community College	80,824
	07615	C.S. Mott Community College	407,970

07695	Muskegon Community College	232,168
07700	North Central Michigan College	78,637
07705	Northwestern Michigan College	236,901
07710	Oakland Community College	543,110
07715	St. Clair County Community College	181,920
07720	Schoolcraft College	318,753
07725	Southwestern Michigan College	171,108
07730	Washtenaw Community College	323,974
07735	Wayne County Community College	431,316
07740	West Shore Community College	59,659
09020	At-risk student success program	<u>92,458</u>
		7,993,308

- b. Amend subsection (3) of Section 401 of Act No. 161 of the Public Acts of 2002 as follows:

(3) For the fiscal year ending September 30, 2003, the at-risk student success program money is allocated as follows:

Alpena Community College	<del>\$85,654</del>	\$83,509
Bay de Noc Community College	<del>93,194</del>	90,860
Delta College	<del>109,215</del>	106,480
Glen Oaks Community College	<del>138,528</del>	135,060
Gogebic Community College	<del>78,171</del>	76,213
Grand Rapids Community College	<del>88,959</del>	86,731
Henry Ford Community College	<del>163,814</del>	159,713
Jackson Community College	<del>113,121</del>	110,288
Kalamazoo Valley Community College	<del>116,085</del>	113,179
Kellogg Community College	<del>156,823</del>	152,896
Kirtland Community College	<del>169,343</del>	165,102
Lake Michigan College	<del>186,759</del>	182,082
Lansing Community College	<del>162,796</del>	158,719
Macomb Community College	<del>92,395</del>	90,081
Mid Michigan Community College	<del>138,950</del>	135,470
Monroe County Community College	<del>99,550</del>	97,057
Montcalm Community College	<del>69,465</del>	67,725
Mott Community College	<del>111,102</del>	108,320

Muskegon Community College	<del>209,919</del>	204,662
North Central Community College	<del>156,702</del>	152,778
Northwestern Michigan College	<del>129,025</del>	125,794
Oakland Community College	<del>157,358</del>	153,417
St. Clair Community College	<del>88,500</del>	86,284
Schoolcraft Community College	<del>152,307</del>	148,493
Southwestern Michigan College	<del>180,889</del>	176,359
Washtenaw Community College	<del>170,388</del>	166,121
Wayne County Community College	<del>142,398</del>	138,832
West Shore Community College	<del>130,693</del>	127,420

## **8. Department of Community Health**

a.	<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
	33680	Long-term care services	16,600,000
	14262	Local MCH services	<u>2,985,100</u>
			19,585,100

- b. In addition, the 2.5 percent reduction from the adjusted general fund appropriations for the Department of Community Health shall not reduce the state's maintenance of effort requirement under the Temporary Assistance for Needy Families program.

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$63,446,100.00, shall be conducted pursuant to section 261, 2002 PA 519.

## **9. Department of Consumer and Industry Services**

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$899,400.00, shall be conducted pursuant to section 261, 2002 PA 527.

## **10. Department of Corrections**

The reductions in this section and in Section D for the Department of Corrections are in an amount equal to 1.0 percent of the adjusted general fund-general purpose appropriation.

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
01050	Executive direction	100,000
02070	Administrative services	325,000
04133	Substance abuse testing and treatment	200,000
02072	Training	1,500,000
23322	Special alternative incarceration program	7,300
19333	Probation residential centers	1,312,000
19335	Community corrections comprehensive plans and services	27,000
19337	Public education and training	20,000
28531	County jail reimbursement program	800,000
10370	DOJ psychiatric plan - MDCH mental health services	511,700
16380	Health care administration	100,000
16382	Vaccination program	500,000
29005	Academic / vocational programs	750,000
46002	Alger maximum correctional facility - Munising	133,100
47002	Baraga maximum correctional facility - Baraga	156,500
49002	Chippewa correctional facility - Kincheloe	255,100
50002	Kinross correctional facility - Kincheloe	278,800
51002	Marquette branch prison - Marquette	127,600
54002	Newberry correctional facility - Newberry	141,400



52002	Oaks correctional facility - Eastlake	139,800
55002	Ojibway correctional facility - Marenisco	145,400
56002	Pugsley correctional facility - Kingsley	141,300
83002	Saginaw correctional facility - Freeland	127,600
53002	Standish maximum correctional facility - Standish	145,900
35002	Cooper Street correctional facility - Jackson	161,100
36002	G. Robert Cotton correctional facility - Jackson	127,600
32002	Charles Egeler reception center - Jackson	127,500
79002	Gus Harrison correctional facility - Adrian	285,100
78002	Huron Valley correctional facility - Ypsilanti	157,500
89002	Macomb correctional facility - New Haven	132,600
87002	Mound correctional facility - Detroit	127,500
34002	Parnall correctional facility - Jackson	127,600
86002	Ryan correctional facility - Detroit	127,500
82002	Robert Scott correctional facility - Plymouth	184,600
33002	Southern Michigan correctional facility - Jackson	127,600
80002	Thumb correctional facility - Lapeer	189,100
85002	Western Wayne correctional facility - Plymouth	127,500

67002	Bellamy Creek correctional facility - Ionia	617,600
72002	Earnest C. Brooks correctional facility - Muskegon	285,100
48002	Carson City correctional facility - Carson City	255,100
76002	Florence Crane correctional facility - Coldwater	193,900
63002	Deerfield correctional facility - Ionia	138,000
61002	Richard A. Handlon correctional facility - Ionia	127,600
62002	Ionia maximum correctional facility - Ionia	127,500
77002	Lakeland correctional facility - Coldwater	127,500
66002	Muskegon correctional facility - Muskegon	127,500
70002	Pine River correctional facility - St. Louis	127,500
64002	Riverside correctional facility - Ionia	157,600
69002	St. Louis correctional facility - St. Louis	319,300
05083	Information technology services and projects	<u>50,000</u>
		12,602,500

## **11. Department of Education**

The 2.5 percent reduction from the adjusted general fund appropriations for the Department of Education shall not reduce the state's maintenance of effort requirement under the Temporary Assistance for Needy Families program.

Appropriation authorization adjustments required to implement general fund expenditure reductions of

\$419,300.00, shall be conducted pursuant to section 222, 2002 PA 522.

**12. Department of Environmental Quality**

- |    |               |                           |               |
|----|---------------|---------------------------|---------------|
| a. | Appropriation |                           | Reduction     |
|    | <u>Number</u> | <u>Item</u>               | <u>Amount</u> |
|    | 01017         | Office of the Great Lakes | 400,000       |
- b. In addition, appropriation authorization adjustments required to implement general fund expenditure reductions of \$1,810,800.00, shall be conducted pursuant to section 1501, 2002 PA 520.

**13. Executive Office**

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$125,500.00, shall be conducted pursuant to section 216, 2002 PA 528.

**14. Family Independence Agency**

The reduction in appropriations for the Family Independence Agency is in an amount equal to 1.0 percent of the adjusted general fund-general purpose appropriation.

The 1.0 percent reduction in general fund appropriations for the Family Independence Agency shall not reduce the state's maintenance of effort requirement under the Temporary Assistance for Needy Families program.

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$8,031,000.00, shall be conducted pursuant to section 265, 2002 PA 529.

**15. Higher Education**

- |    |               |                               |               |
|----|---------------|-------------------------------|---------------|
| a. | Appropriation |                               | Reduction     |
|    | <u>Number</u> | <u>Item</u>                   | <u>Amount</u> |
|    | 01001         | Central Michigan University   | 2,250,197     |
|    | 01501         | Eastern Michigan University   | 2,191,030     |
|    | 02001         | Ferris State University       | 1,388,071     |
|    | 02501         | Grand Valley State University | 1,502,453     |

04001	Lake Superior State University	356,734
03001	Michigan State University	8,149,929
03501	Michigan Technological University	1,381,103
04501	Northern Michigan University	1,300,382
03201	Oakland University	1,309,677
05001	Saginaw Valley State University	684,864
05501	University of Michigan - Ann Arbor	9,089,481
05801	University of Michigan - Dearborn	699,864
05701	University of Michigan - Flint	601,730
06501	Wayne State University	6,341,406
06001	Western Michigan University	3,142,073
03301	Agricultural experiment station	921,259
03401	Cooperative extension service	794,601
03101	Japan center for Michigan universities	7,633
07002	Higher education database modernization and conversion	6,250
07350	Select student supportive services	54,339
07352	Michigan college/university partnership program	16,302
07368	Morris Hood, Jr. educator development program	4,128
03510	State competitive scholarships	826,403
03512	Tuition grants	1,652,580
03514	Michigan work-study program	200,404
03516	Part-time independent student program	72,578
03518	Grant for Michigan resident dental graduates	126,313
03520	Grant for general degree graduates	154,610

03522	Grant for allied health graduates	23,379
03526	Michigan education opportunity grants	<u>57,010</u>
		45,306,783

- b. Amend subsection (1) of Section 401 of Act No. 144 of the Public Acts of 2002 as follows:

Sec. 401. (1) Included in part 1 is ~~\$6,356,023.00~~ \$6,197,115.00 to Wayne State University for the Joseph F. Young, Sr. psychiatric research and training program. Wayne State University shall use these funds for psychiatric laboratory and clinical research, training, and treatment services. Within the available appropriation, services shall not be denied to any patient who meets established research guidelines for treatment on the basis of personal financial circumstances, age, geographic residence, or projected/actual length of treatment as medically warranted.

- c. Amend subsection (1) of Section 433 of Act No. 144 of the Public Acts of 2002 as follows:

Sec. 433. (1) Included in part 1 is ~~\$3,281,500.00~~ \$3,199,459.00 for the agricultural experiment station and ~~\$2,910,000.00~~ \$2,837,247.00 for the cooperative extension service for project GREEN. Project GREEN is intended to address critical regulatory, food safety, economic, and environmental problems faced by this state's plant-based agriculture, forestry, and processing industries. "GREEN" is an acronym for generating research and extension to meet environmental and economic needs.

## **16. Department of History, Arts and Libraries**

The 2.5 percent reduction in general fund appropriations for the Department of History, Arts and Libraries shall not reduce the appropriation for Renaissance Zone Tax Reimbursement funding.

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$1,522,400.00, shall be conducted pursuant to section 261, 2002 PA 523.

**17. Department of Management and Budget**

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$1,100,900.00, shall be conducted pursuant to section 216, 2002 PA 528.

In order to meet the general fund reduction, the Department of Management and Budget may reduce building occupancy and parking expenditures. The State Budget Director is hereby authorized to take any and all actions necessary to adjust restricted revenue reductions and general fund reductions for the Department of Management and Budget.

**18. Michigan Strategic Fund**

The reduction in general fund appropriations for the Michigan Strategic Fund is in an amount equal to \$3,000,000.00.

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$3,000,000.00, shall be conducted pursuant to section 261, 2002 PA 517.

**19. Department of Military and Veterans Affairs**

The reduction in general fund appropriations for the Department of Military and Veterans Affairs is in an amount equal to 1.0 percent of the total general fund-general purpose appropriation.

The 1.0 percent reduction in general fund appropriations for the Department of Military and Veterans Affairs shall not reduce funding to Veterans Service Organizations nor to veterans homes.

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$400,800.00, shall be conducted pursuant to section 261, 2002 PA 514.

**20. Department of Natural Resources**

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$1,095,600.00, shall be conducted pursuant to section 1301, 2002 PA 525.

The Department of Natural Resources may reduce restricted revenue appropriations authorized in a prior fiscal year in order to meet the

general fund reduction amount. The State Budget Director is hereby authorized to take any and all actions necessary to adjust restricted revenue reductions and general fund reductions for the Department of Natural Resources.

**21. Department of State**

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$424,200.00, shall be conducted pursuant to section 216, 2002 PA 528.

**22. Department of State Police**

The reduction in general fund appropriations for the Department of State Police is in an amount equal to 1.5 percent of the total general fund-general purpose appropriation.

The 1.5 percent reduction in general fund appropriations for the Department of State Police shall not result in the layoff of state troopers.

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$4,305,700.00, shall be conducted pursuant to section 261, 2002 PA 526.

**23. Department of Treasury**

a. Appropriation		Reduction
<u>Number</u>	<u>Item</u>	<u>Amount</u>
09476	Grants to local governmental units	9,900,000
08330	Quality of life bond	<u>40,000,000</u>
		49,900,000

- b. In addition, the 2.5 percent reduction in general fund appropriations for the Department of Treasury shall not reduce the appropriation for Debt Service obligations.

Appropriation authorization adjustments required to implement general fund expenditure reductions of \$1,289,900.00, shall be conducted pursuant to section 216, 2002 PA 528.

- D. The following general fund-general purpose amounts from work project accounts, totaling \$ 3,397,500.00, are hereby reduced:

<u>Appropriation Number</u> <u>(Appropriation Year)</u>	<u>Item</u>	<u>Reduction</u> <u>Amount</u>
02072 (AY 01)	<b><u>Department of Corrections</u></b> New employee training program	1,998,800
04138 (AY 95)	<b><u>Department of Corrections</u></b> Workload automation and imaging	<u>1,398,700</u>
		3,397,500

- E. Portions of appropriations financed with special purpose revenue amounting to \$106,810,500.00 contained in the following public acts are hereby reduced.

<u>Public Act</u>	<u>Department</u>	<u>Reduction</u> <u>Amount</u>
2002 PA 144	Higher Education	50,000,000
2002 PA 56	Transportation	3,710,500
2002 PA 528	Treasury	<u>53,100,000</u>
		106,810,500

- F. The reduction totals for the department and agencies in Section E include the following appropriation items or are predicated upon the following actions:

**1. Higher Education**

<u>Appropriation</u> <u>Number</u>	<u>Item</u>	<u>Reduction</u> <u>Amount</u>
80000	Michigan merit award program	50,000,000

**2. Department of Transportation**

<u>Appropriation</u> <u>Number</u>	<u>Item</u>	<u>Reduction</u> <u>Amount</u>
00023	Fire protection grants	3,710,500



3. Department of Treasury

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
09466	Statutory state general revenue sharing grants	53,100,000

The State Budget Director is hereby authorized to take any and all actions necessary to implement the provisions of this order so that expenditures authorized by appropriations shall be reduced as specified above for the fiscal year October 1, 2002 to September 30, 2003.



Given under my hand and the Great Seal of the State of Michigan this 5th day of December, in the year of Our Lord, Two Thousand Two.

  
GOVERNOR

BY THE GOVERNOR:

  
SECRETARY OF STATE

FILED WITH SECRETARY OF STATE  
CANDICE S. MILLER  
ON 12-5-02 AT 7:07 AM